

MARYLAND SMALL BUSINESS DEVELOPMENT FINANCING AUTHORITY

OPEN MEETING MINUTES

June 25, 2020

The regular meeting of the Maryland Small Business Development Financing Authority convened at 1:00 p.m. via teleconference only at 470-869-2200/meeting ID 428-245-6027 due to the COVID-19 pandemic.

The following were in attendance at this meeting:

Authority Members	MMG Staff
Les Hall	Randy Croxton
Sharon Pinder	Anthony Williams
Laura Pasternak	Mark Harrison
Mara Sierocinski	Stanley Tucker
Gina Ramsey	Tim Smoot
Kenny Oreagba	Latoya Haynes

Attorney General's Office
Barbara Kountz, Deputy Counsel

AGENDA

MINUTES

June 11, 2020

EXTENSION

Flight Fab, Inc.

JCM Control Systems, Inc.

J. Marshall & Associates, LLC

Point of Excellence Beauty Academy, LLC

NEW REQUEST

Tri-State Solutions of Maryland, LLC

The closed session of the June 11, 2020, meeting was summarized. The Authority Board meeting was attended by Les Hall, Gina Ramsey, Chuck Martin, Sharon Pinder, Mara Sierocinski, Laura Pasternak, and Kenny Oreagba. The meeting was closed to comply with requirements of the Maryland Public Information Act so that there would not be disclosure of confidential, commercial, and financial information associated with the applicants. The meeting was closed to discuss the following:

The following requests were approved.

1. Care Management Consulting LLC – Increase line of credit from \$85,000 to \$200,000 for a period of 6 months
2. Newman's Body Shop Personal Training, Inc. – Reduce the life insurance requirement from \$235,000 to \$200,000; allow second assignment of \$100,000 to be provided within 60 days of closing
3. Transdermal Specialties Global, Inc. – Allow assignment of life insurance to be provided within 45 days of closing; disbursement of Tranches 2 and 3 not allowed until receipt of accepted assignment of life insurance
4. Grektek Holdings Inc. - \$150,000 EPIP stock investment. Gina Ramsey was not present during this request.

NOTE: DC Electric, Inc. failed due to lack of a motion. Laura Pasternak was not present during this request.

MINUTES

June 11, 2020

Action Taken: Upon motion duly made and seconded, the Authority unanimously approved the minutes as presented.

EXTENSION

Presenter: Tim Smoot

Applicant: JCM Control Systems, Inc.

Loan Amount: \$200,000 Contract Financing Line of Credit
(mobilization up to \$40,000)

Comments: A 60-day approval extension to August 27, 2020 was requested.

Discussion: There was limited discussion regarding the outstanding documents needed to close the loan.

Action Taken: Upon motion duly made and seconded, the Authority unanimously approved an approval extension to July 9, 2020.

EXTENSION

Presenter: Tim Smoot

Applicant: J. Marshall & Associates, LLC

Loan Amount: \$100,000 EPIP Line of Credit

Comments: A 60-day approval extension to August 27, 2020 was requested.

Discussion: There was limited discussion regarding the outstanding documents needed to prepare a renewal request and the reason(s) why the facility has been extended for almost a full year.

Action Taken: Upon motion duly made and seconded, the Authority unanimously approved an approval extension to July 9, 2020.

EXTENSION

Presenter: Randy Croxton

Applicant: Point of Excellence Beauty Academy, LLC

Loan Amount:

1. \$50,000 EPIP Term Loan
2. \$250,000 Surety Bond Direct

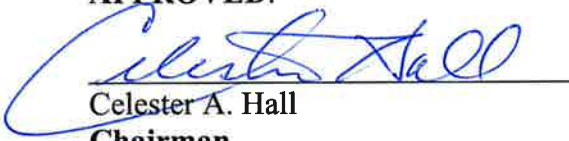
Comments: A 60-day approval extension for both facilities to August 27, 2020 was requested.

Discussion: There was limited discussion regarding the timing of the pending certification of the borrower to begin operations.

Action Taken: Upon motion duly made and seconded, the Authority unanimously approved the request as presented.

The Open Meeting then closed at 1:15 p.m. upon motion made and seconded, and approved by all voting members, the meeting was closed pursuant to General Provisions Article, Section 3-305(b) (13), "to comply with a specific... statutory... requirement that prevents public disclosures about a particular proceeding or matter", that is, the Maryland Public Information Act prohibits disclosure of trade secrets, confidential commercial and confidential financial information. Chairman Les Hall signed the Presiding Officer's Written Statement for Closing a Meeting under the Open Meetings Act, which is attached to these minutes as an exhibit.

APPROVED:


Celester A. Hall
Chairman

DATE:

11-6-20

MARYLAND SMALL BUSINESS DEVELOPMENT FINANCING AUTHORITY

**PRESIDING OFFICER'S WRITTEN STATEMENT FOR CLOSING A MEETING
UNDER THE OPEN MEETINGS ACT
(General Provisions Article § 3-305)**

1. Recorded vote to close the meeting:

Date: June 25, 2020

Time: 1:20 pm – 1:40 pm

Location: Meridian Management Group, Inc., 826 East Baltimore Street, Baltimore, MD 21202

Motion to close meeting made by: Laura Pasternak; Seconded by Gina Ramsey

Vote to Close Session:

	AYE	NAY	ABSTAIN	ABSENT
Celester Hall, Chair, Designee Secretary of Commerce	[x]	[]	[]	[]
Clemis Kaikis, designee of Comptroller	[x]	[]	[]	[]
Charles Martin	[]	[]	[]	[x]
Kehinde Oreagba	[]	[]	[]	[x]
Laura Pasternak	[x]	[]	[]	[]
Sharon Pinder	[x]	[]	[]	[]
Gina Ramsey	[x]	[]	[]	[]
Mara Sierocinski	[x]	[]	[]	[]

2. Citation of statutory authority to close session (check all that apply): This meeting is being closed under General Provisions Article § 3-305(b), only:

____ (1) To discuss the appointment, employment, assignment, promotion, discipline, demotion, compensation, removal, resignation, or performance evaluation of appointees, employees, or officials over whom this public body has jurisdiction; any other personnel matter that affects one or more specific individuals;

___ (2) To protect the privacy or reputation of individuals concerning a matter not related to public business;

___ (3) To consider the acquisition of real property for a public purpose and matters directly related thereto;

___ (4) To consider a matter that concerns the proposal for a business or industrial organization to locate, expand, or remain in the State;

___ (5) To consider the investment of public funds;

___ (6) To consider the marketing of public securities;

X (7) To consult with counsel to obtain legal advice on a legal matter;

___ (8) To consult with staff, consultants, or other individuals about pending or potential litigation;

___ (9) To conduct collective bargaining negotiations or consider matters that relate to the negotiations;

___ (10) To discuss public security, if the public body determines that public discussion would constitute a risk to the public or to public security, including: (i) the deployment of fire and police services and staff; and (ii) the development and implementation of emergency plans;

___ (11) To prepare, administer, or grade a scholastic, licensing, or qualifying examination;

___ (12) To conduct or discuss an investigative proceeding on actual or possible criminal conduct;

X (13) To comply with a specific constitutional, statutory, or judicially imposed requirement that prevents public disclosures about a particular proceeding or matter;

___ (14) Before a contract is awarded or bids are opened, to discuss a matter directly related to a negotiating strategy or the contents of a bid or proposal, *if* public discussion or disclosure would adversely impact the ability of the public body to participate in the competitive bidding or proposal process.

3. Disclosure of the topics to be discussed, for each citation checked above:

§3-305(b)(13) topics: Discussion and evaluation of the applications received from potential borrowers for financial assistance under programs of the Maryland Small Business Development Financing Authority, which applications include the disclosure of financial information of private individuals and confidential commercial and financial information.

§3-305(b)(7) topics: Legal advice from counsel to the Authority with respect to the applications.

4. For each topic listed in #2, disclosure of the reason for discussing it in closed session rather than in open session:

§3-305(b)(13): Financial information of private individuals is protected from disclosure under the Maryland Public Information Act (§4-336) and confidential commercial and financial information is protected from disclosure under the Maryland Public Information Act (§4-335).

§3-305(b)(7): Protection of the attorney-client privilege.

This statement is made by Celester Hall, Chair of the Maryland Small Business Development Financing Authority, Presiding Officer.



Celester Hall
Chair